



FINANCE COMMITTEE MINUTES

ORLEANS TOWN CLERK

K. D. Kelly, A. Ash

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Finance Committee Minutes

The July 12, 2012 meeting of the Orleans Finance Committee was convened by Chairman Ms Gwen Holden-Kelly at 7:00 pm in the Nauset Room of the Orleans Town Hall. Present and constituting a quorum were members: Mr. Mark Carron, Mr. Dale Fuller, Mr. Joshua Larson, Mr. John Laurino, Mr. Paul Rooker, Mr. Rick Sigel, and Mr. William Weil. Member absent was Mr. Larry Hayward.

Guests

Mr. Jon Fuller, Selectmen liaison

Mr. Duane Landreth, Orleans Moderator

Public Comment

None

Handouts 1:45 on video recording

Chairman Holden-Kelly reviewed the contents of the materials handed out to Committee members, including a contact list for members, guidelines for remote participation in meetings, and a draft issues list.

Introduction of New Members 3:16 on video recording

At the invitation of Chairman Ms Holden-Kelly, new members of the Finance Committee Joshua Larson and John Laurino introduced themselves to the Finance Committee and gave brief autobiographical details of their skills and experience.

Election of Officers 11:00 on video recording

Mr. Carron nominated Ms Holden-Kelly for the position of Chairman of the Finance Committee for Fiscal Year 2012-2013. Mr. Sigel seconded the nomination. The Members voted unanimously to elect Ms Holden-Kelly to the position of Chairman.

Mr. Carron nominated Mr. D. Fuller for the position of Vice Chairman of the Finance Committee for Fiscal Year 2012-2013. Mr. Sigel seconded the nomination. The Members voted unanimously to elect Mr. D. Fuller to the position of Vice Chairman.



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Mr. Larson volunteered for the position of Secretary of the Finance Committee.

Approval of Minutes 16:48 on video recording

Mr. Weil moved to approve the minutes of the Finance Committee meeting of June 28. Mr. Carron seconded the motion. The Committee voted 6-0-2 to approve the motion, with Mr. Larson and Mr. Laurino abstaining from the vote.

Briefing for New Finance Committee Members 17:25 on video recording

Mr. Carron provided new Committee members with an overview of the sections of the Orleans Home Rule Charter that govern the operations and responsibilities of the Finance Committee and its individual members.

Ms Holden-Kelly reviewed the schedule of important dates and deadlines by which the Orleans Town Administration operates, as well as the Finance Committee meeting schedule. Ms Holden-Kelly reminded all Committee members that the Committee operates according to the Massachusetts Open Meetings law, and that all of the Committee's actions are public and recorded. She also described the two reports that the Finance Committee makes each year to the Town of Orleans as part of the Committee's responsibilities.

Mr. D. Fuller spoke on the topic of the difference between the financial affairs and accounting standards of municipalities and corporations, specifically mentioning the accounting standards under which incorporated towns in Massachusetts report their finances. Mr. D. Fuller went on to discuss the sources and uses of revenue for the Town of Orleans, and described the various categories of expenditures the Town makes. He stated that the budgets of schools are determined independently. He also stated that unspent money at the end of each fiscal year is classified as free cash, which can be used to balance the Town's budget or lower property taxes, and is typically kept at approximately 5% of the Town's annual budget.

Finally, Mr. D. Fuller noted that all policies of the Orleans Board of Selectmen are available for public viewing on the Town's web site.

Mr. Sigel provided the Committee with a review of relevant provisions of the Commonwealth of Massachusetts' Open Meeting Law. In particular, he noted that the Committee must provide 48 hours' notice to the public prior to holding any meetings, with certain limited exceptions allowed for executive sessions.



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Mr. Landreth commented on some of the Committee's responsibilities under the Open Meeting Law, and thanked the Committee for its service.

Mr. Sigel continued his summary of the Open Meeting Law, including detailed comments on how members of the Committee should understand the restrictions on meetings outside of the framework of official Committee meetings. In particular, Mr. Sigel noted that any and all communication among Committee members regarding Committee business is considered public information, and that Committee members should not discuss Committee business outside of official meetings, other than to agree on agendas for Committee meetings. Mr. Sigel added that documents and all other exhibits presented at Committee meetings are available to members of the public, and that all Committee members are required to sign a statement agreeing to be bound by the Open Meeting Law.

Mr. Rooker gave the Committee an overview of the various department and town committee liaison roles undertaken by members of the Committee. He stated that all members of the Committee take a role as liaison to one or more town departments or committees. He also noted that Committee members act as liaison to the Orleans Board of Selectmen on a rotating basis. He described the responsibility of the liaisons to report on the activities of the departments and committees on the financial impact of their work to the town.

Mr. Weil described the Committee's responsibility to record accurate minutes of its meetings, and gave new Committee members examples of recent minutes as a guide for Mr. Larson to compile minutes of Committee meetings. Mr. Weil also spoke about his experience in his first year as a member of the Committee, highlighting a very positive environment, while also noting some of the difficulties in explaining complex issues of municipal finance to the public.

Mr. Larson asked about guidelines for speaking to members of the media. Ms Holden-Kelly stated that all official statements to the media should be made by the Chairman.

Review of Guidelines for Remote Participation in Town Committee Meetings 94:05 on video recording

Ms Holden-Kelly began by reviewing some of the issues surrounding the remote participation by Committee members in meetings. The Chairman makes the determination of whether or not a member may participate remotely. However, there is a lack of clarity on the rules for remote participation, including the



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following issues: i) is written approval required? ii) who is responsible for the costs of remote participation? iii) what technology is acceptable for use in remote participation? and iv) can remote participation accommodate multiple remote users and remain within the Open Meeting Law?

Mr. Larson stated that from a technological standpoint, arranging effective remote participation is not complicated.

Mr. Landreth stated that there may be grounds to challenge the votes made by remote participants if there was no way to record that remote participant's vote definitively.

Mr. Carron said that the use of remote participation is likely given that some Committee members may not always be physically present in Orleans during Committee meetings.

Continuation of Discussion of Future Agenda Topic/Town Projects/Issues Monitoring List 104:40 on video recording

Ms Holden-Kelly opened the discussion by stating that the goal of this topic of discussion is to ensure that the Committee understands all the major issues that the Committee should be aware of. She stated that there are three broad categories of issues: i) issues with fiscal implications for the town of Orleans that are likely to come before the Committee for action; ii) issues with potential fiscal implications for the town on which the Committee may wish to consider the formulation of recommendations for the Board of Selectmen; and iii) issues having potential fiscal implications for the town of Orleans on which the Committee wishes to remain current as to their status.

Ms Holden-Kelly noted that the issue of wastewater is the foremost priority at the moment and is therefore the first issue on the list.

Mr. Carron asked if it is possible to make the Committee aware of when and at which Committee meetings, which specific items will be discussed.

Ms Holden-Kelly spoke about the process of educating both Committee members and members of the public about the question of wastewater treatment, which will be discussed in more detail at the next meeting of the Committee.

Ms. Holden-Kelly requested Committee members to learn as much as possible themselves about issues in category iii) above so that discussion on more important priorities can be more productive at future meetings.



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Ms Holden-Kelly said that she will forward two reports made in recent Committee meetings to members, one by the Chief of Police of Orleans regarding projected future needs for the police force, and an update from the Massachusetts Highway Department on projects in Orleans for 2012-2013.

Ms Holden-Kelly also stated that the Orleans Board of Selectmen voted to implement a study of the town of Orleans' facilities.

Ms Holden-Kelly and Mr. D. Fuller stated that they had attended a joint presentation by the towns of Orleans and Eastham regarding the re-classification of Rock Harbor.

Mr. Carron suggested that the Orleans Police Department and the Massachusetts Highway Department be added to the comprehensive list of issues.

Mr. Rooker noted that there is nothing on the list of issues regarding regionalization. Ms Holden-Kelly replied that she could broaden the issue of privatization to capture regionalization. Mr. Sigel asked if this might mean that the Committee is drifting into the area of policy. Ms Holden-Kelly stated that if any question facing the town has a financial impact, the Committee should address it.

Mr. Carron said that the Chief of Police has reported that his detectives are overtaxed and that more efficient allocation of resources would allow him to free up resources to relieve the burden on the detectives. Ms Holden-Kelly stated that the Committee should be aware that this is an issue with a financial impact on the town.

Ms Holden-Kelly asked if there is a more accurate way to describe the issue of the management of town-owned property. Mr. D. Fuller suggested that it might be best to describe the issue as "Management issues of certain town properties".

Mr. Laurino stated that the Committee could look at possible trade-offs of under-utilized land for land that could be utilized more efficiently. Ms Holden-Kelly said that to do so, the Committee needs to understand the maintenance costs for any land that the town has. Mr. Sigel noted that the Committee learned last year how the town of Orleans manages its open spaces and undertakes the purchase of land. Mr. Laurino said that the Committee should also ensure that we understand all potential liabilities associated with town-owned land. Ms Holden-Kelly added that the town has a significant amount of responsibility in posting informational and warning signs at all possible swimming locations in the town.



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Board, Committee and Department Reports 130:05 on video recording

Mr. Sigel reported that six applications for affordable housing had been received for the Hinckley project, and that more applications are expected. The lottery for allocation of housing is expected by the end of July. The project will move forward only when it is understood that there is sufficient demand to support sufficient occupancy of the housing.

Ms Holden-Kelly reviewed the proceedings of the most recent meeting of the Orleans Board of Selectmen, noting that the meeting covered many issues, including the water rate; the Police Chief's report; the Twinings Point land purchase, which will require town meeting approval despite the fact that Orleans is responsible for only 30% of the cost; the search process for a new Chief of Police, which will be limited to internal candidates only; and Cedar Pond water quality, a consulting report for which is being reworked to take into account the town's efforts to re-designate Rock Harbor. The Board of Selectmen also voted to grant \$10,000 in support of technical assistance for the study of the MEP report on the Nauset harbor embayment.

Mr. Carron stated that the issue of no lifeguards at Crystal Lake during swimming lessons was raised. Mr. Carron said that the Finance Committee should inform the Board of Selectmen that the Finance Committee could determine a way to pay for the provision of a lifeguard at Crystal Lake during swimming lessons.

Ms Holden-Kelly stated that the Board of Selectmen authorized the town administration to resolve the issue of appropriate signage at swimming sites throughout the town.

Mr. D. Fuller said that the town of Orleans' various departments will hold a meeting on the classification of beaches in the town, and the Department of Health will determine which beaches are considered "bathing beaches". The Commonwealth pays for the town to test water at beaches so classified (\$13,000 cost), and unless the town carries out this classification exercise and erects the mandated signs at such beaches, the Commonwealth will no longer pay for water testing.

Ms Holden-Kelly said that the Board of Selectmen discussed the issue of watering the grass on the hillside at Eldredge Park. While the ballfield belongs to the town, the hillside belongs to the Middle School, and a problem with the watering system installed on the hillside will require cooperation of various parties, including the town and the school, to resolve.



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Mr. D. Fuller stated that the Board of Health re-elected Mr. Job Taylor as Chairman and Ms Elizabeth Suraci as Vice Chairman. He also noted that regulations on tobacco had not yet been adopted, but would be voted on on August 16. He also stated that "roll-your-own" cigarette machines had been re-classified as manufacturers and therefore subject to tax, which would effectively put them out of business.

Mr. D. Fuller said that the Nauset Regional School Committee held a meeting on July 9 to discuss the strategic plan, and that the final draft of this plan was discussed in small groups to prioritize its various elements.

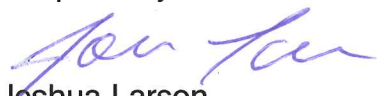
New Business 158:20 on video recording

Ms Holden-Kelly explained to new Committee members how to use Town Hall resources for communication among Committee members. Ms Holden-Kelly also stated that there would be no Committee meetings in August, and three Committee meetings in September. She highlighted that wastewater would be the most important topic for discussion at these meetings.

Adjournment 160:55 on video recording

There being no further business before the Committee, Mr. Carron moved to adjourn. Mr. D. Fuller seconded the motion and the meeting was adjourned at 9:44 pm.

Respectfully submitted


Joshua Larson
Secretary

Next Meeting

Thursday, July 26 2012

Issues requiring follow-up

- discussion of technological issues of remote participation at meetings.
- Ms Holden-Kelly to provide Orleans Chief of Police report on future needs to Committee members.
- Ms Holden-Kelly to provide Massachusetts Highway Department update on 2012-2013 projects to Committee members.



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- Ms Holden-Kelly to provide presentation on Rock Harbor to Committee members.